

State of Alaska FY2008 Governor's Operating Budget

Department of Transportation/Public Facilities Southeast Region Highways and Aviation Component Budget Summary

Component: Southeast Region Highways and Aviation

Contribution to Department's Mission

Operate, maintain, protect and control the state's highway, harbor and airport systems.

Core Services

Winter snow and ice control including: snow plowing, snow removal, sanding, de-icing, avalanche prevention and control, snow fencing and culvert thawing.

Summer maintenance including: grading, pothole patching, crack sealing, leveling of heaves and dips, brush clearing, sweeping, dust control, drainage cleaning and repair, fence and guardrail repair, bridge painting and repair, and sign maintenance.

Road and airport lighting systems including: maintenance of traffic signals, intersection and road illumination, harbor electrical service and lighting, and runway and taxiway lights.

Airport security including: access control, badging, lock and key control, and fencing.

Airport compliance, including inspection and assurance that state airports are operated in accordance with Federal Aviation Administration (FAA) operating regulations.

Access control to state rights of way for driveways, access roads, signs and utilities.

Maintenance of harbor facilities not maintained by local community, including breakwaters, floats, and electrical systems.

Statewide winter road and weather reporting on the Internet and the statewide recorded messaging system.

Operate the Adopt-a-Highway system.

FY2008 Resources Allocated to Achieve Results

FY2008 Component Budget: \$13,398,200	Personnel:	
	Full time	65
	Part time	5
	Total	70

Key Component Challenges

The major challenge to Southeast Region Highways and Aviation (H&A) Maintenance & Operations (M&O) is providing safe highways and airports while keeping cost per lane mile at current levels. Three significant factors put pressure on the budget: 1) Rising costs of commodities and services, especially fuel, steel products, equipment, and shipping; 2) A continually deteriorating (aging) transportation system; and 3) User demand for higher levels of transportation service, including bare roads in winter and increased airport operating hours. Budget increases over the past two budget years have helped address these challenges, but they remain critical issues. We have benefited from the addition of four operator positions at Petersburg and Wrangell airports, and from fully funded fuel cost increases through the supplemental process. The budget has not been increased at a level to meet rising costs of other maintenance related items, such as steel (for blades, chains, guard rail, etc.) and winter chemicals. Of primary concern is the need for

equipment; much of our mission essential equipment is outdated, worn out, and expensive to maintain. These needs are addressed in our capital budget request, but they impact the operating budget through high State Equipment Fleet (SEF) charges. We continue to focus our resources on our certificated airports and high volume highways, but are unable to dedicate adequate maintenance efforts to highly deteriorated sections of key highways (such as Mitkof Highway, Zimovia Highway, and South and North Tongass Highway), low volume roads, remote harbor facilities, and seaplane floats. Increasing service levels for these assets would require additional personnel, equipment, and materials, and are not addressed in this budget.

Increased costs have been offset to some degree by use of federal capital funds. Highways and Aviation has made maximum use of federal highway funding to achieve major improvement of road surfaces (chip sealing), which decreases maintenance costs for the short term. As we make progress in repairing badly deteriorated roads, we will focus our efforts on preventative maintenance projects; resurfacing key highways to extend the life of the existing pavement before they deteriorate beyond repair.

An important strategy for long term H&A cost control is to transfer certain community roadways and harbors to local governments. We seek to reduce the size of the state infrastructure by transferring these local assets to the communities they serve, while keeping responsibility for major roads and airports that make up the state transportation infrastructure. This will allow us to concentrate our maintenance efforts on the most important sections of the transportation system. The challenge is to forge agreements with local governments to take responsibility for costly assets when they are experiencing their own budget pressures. During the past budget year, Southeast Region successfully transferred Montana Creek Road and Skater's Cabin Road (4.4 lane miles) to the City and Borough of Juneau, and Sandy Beach Road (4.0 lane miles) to the City of Petersburg. This represents a decrease of approximately \$29,000 annually in maintenance costs. The transfer process is a joint effort involving all divisions of Southeast Region, but directly impacting the H&A budget.

Significant Changes in Results to be Delivered in FY2008

No significant changes in this budget.

Major Component Accomplishments in 2006

Implemented the Maintenance Management System (MMS) at all 11 maintenance stations. All stations are now reporting maintenance activities and costs in MMS.

Completed equipment operator training.

Completed obstruction light and beacon light replacement at airports in Southeast Region.

Painted and striped Southeast Region highways.

Completed a \$1.2 million federally funded pavement refurbishment project at various locations throughout Southeast Region. Work accomplished at specific communities is detailed below.

Haines: Completed emergency repairs of rock slides and road washouts due to the November 2005 storm. Cleared debris, cleaned ditches, reinstalled culverts, and resurfaced damaged roads. Painted airport.

Juneau: Completed emergency repairs of rock slides and culvert failures due to the November 2005 storm. Cleared debris, cleaned ditches, cleaned culverts, and repaired drainage structures. Performed extensive brushing of highways.

Kake: Chip sealed two miles of highway. Performed extensive brushing, ditching, and guard rail repair. Painted airport.

Ketchikan: Completed extensive ditching and brushing; performed numerous spot repairs of deteriorating pavement on North and South Tongass Highways.

Klawock: Completed extensive ditching and brushing on highway system. Completed numerous spot repairs on Craig – Klawock – Hollis Highway. Painted airport.

Petersburg: Chip sealed Haugan Drive (.58 mi.) and Skow Bay Loop (.3 mi.). Under a Reimbursable Services Agreement (RSA) with the City of Petersburg, chip sealed local streets. Completed extensive brushing and ditching of Mitkof Highway, and patched damaged pavement on highway. Painted airport.

Sitka: Repaired deteriorating pavement on Halibut Point Road. Completed extensive ditching and brushing of road system.

Skagway: Completed .5 miles of shoulder improvements for snow storage on Klondike Highway. Completed brushing on extensive portions of highway system. Completed emergency repairs of Dyea Road washouts due to November 2005 storm. Reconstructed a highway intersection (Klondike Highway and Sanatorium Road) to resolve safety concerns. Completed construction of an equipment storage shop at Mile 12 of the Klondike Highway. This facility provides indoor equipment storage and maintenance space to support intensive highway maintenance of White Pass. Painted airport.

Wrangell: Chip sealed Wrangell East Road (1.82 mi.) and Zimovia Highway (3.4 mi.). Performed extensive ditching and brushing. Painted airport.

Yakutat: Completed brushing of entire highway system. Painted airport.

Statutory and Regulatory Authority

A.S. 02 - Aeronautics
A.S. 30 - Harbors & Shipping
A.S. 38 - Motor Vehicles
A.S. 44 - State Government
AAC 13 - Public Safety
AAC 14 - Public Works
AAC 17 - DOT&PF
CFR 14 - Aeronautics
CFR 23 - Highway

Contact Information

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Southeast Region Highways and Aviation Component Financial Summary

All dollars shown in thousands

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	5,366.3	6,509.1	7,406.9
72000 Travel	113.1	99.7	99.7
73000 Services	3,642.1	3,531.2	3,628.9
74000 Commodities	2,761.3	2,218.2	2,262.7
75000 Capital Outlay	13.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	11,895.8	12,358.2	13,398.2
Funding Sources:			
1004 General Fund Receipts	10,272.2	10,538.7	11,532.7
1007 Inter-Agency Receipts	108.3	102.8	102.8
1027 International Airport Revenue Fund	589.3	609.0	651.7
1053 Investment Loss Trust Fund	0.0	91.3	0.0
1061 Capital Improvement Project Receipts	647.5	690.6	785.2
1108 Statutory Designated Program Receipts	52.8	91.1	91.1
1156 Receipt Supported Services	225.7	234.7	234.7
Funding Totals	11,895.8	12,358.2	13,398.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	108.3	102.8	102.8
Statutory Designated Program Receipts	51063	52.8	91.1	91.1
Receipt Supported Services	51073	225.7	234.7	234.7
Capital Improvement Project Receipts	51200	647.5	690.6	785.2
Restricted Total		1,034.3	1,119.2	1,213.8
Total Estimated Revenues		1,034.3	1,119.2	1,213.8

**Summary of Component Budget Changes
From FY2007 Management Plan to FY2008 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2007 Management Plan	10,538.7	0.0	1,819.5	12,358.2
Adjustments which will continue current level of service:				
-Convert FY2007 ILTF fund source for increased airport operating hours to GF	91.3	0.0	-91.3	0.0
-Reverse October FY2007 Fuel/Utility Funding Distribution	-35.8	0.0	0.0	-35.8
-Transfer funding for central mail services from Southeast Support Services	4.5	0.0	0.0	4.5
-Fund Source Adjustment for Retirement Systems Increases	39.7	0.0	-39.7	0.0
Proposed budget increases:				
-Fuel and utilities price increases	166.3	0.0	0.0	166.3
-Risk Management airport liability premium increase	7.2	0.0	0.0	7.2
-FY 08 Retirement Systems Rate Increases	720.8	0.0	177.0	897.8
FY2008 Governor	11,532.7	0.0	1,865.5	13,398.2

Southeast Region Highways and Aviation Personal Services Information

Authorized Positions			Personal Services Costs	
	<u>FY2007</u> <u>Management</u> <u>Plan</u>	<u>FY2008</u> <u>Governor</u>		
Full-time	65	65	Annual Salaries	3,545,986
Part-time	5	5	Premium Pay	708,920
Nonpermanent	0	0	Annual Benefits	3,205,563
			<i>Less 0.72% Vacancy Factor</i>	(53,569)
			Lump Sum Premium Pay	0
Totals	70	70	Total Personal Services	7,406,900

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk II	0	0	1	0	1
Administrative Assistant	0	0	1	0	1
Administrative Clerk III	0	0	1	0	1
Administrative Manager I	0	0	1	0	1
Analyst/Programmer III	0	0	1	0	1
Equip Operator Foreman I	0	0	1	0	1
Equip Operator Journey II	0	0	10	16	26
Equip Operator Jrny III/Lead	0	0	0	28	28
Maint & Operations Specialist	0	0	1	0	1
Maint & Operations Super	0	0	1	0	1
Maint Spec Etrician Journey II	0	0	1	0	1
Regnl Saf&Arpt Sec Off	0	0	1	0	1
Rural Airport Foreman	0	0	1	4	5
TSA Security Liaison	0	0	1	0	1
Totals	0	0	22	48	70